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From: Robinson Place Concern Group

Objections to the proposal for a lower compulsory land sale(LCLS) application threshold of not less than 80% for buildings aged 40 years or above, and lot with “all units but one” acquired

We appreciate the need for urban redevelopment as a process associated with a developing society. There is a need to improve the areas where living environments are poor and building structures have been proven to endanger the safety of the community.

However, the above issue is largely taken care of via the various comprehensive schemes undertaken under the authority granted to the Urban Renewal Authority (URA). As a result, there are no realistic grounds to lower the compulsory land sale application threshold to facilitate the business of developers at the expense of individual unit owners.

We have additional reasons for objection as well and these are:

Transfer the benefit of an individual owner to property developers

It is hard to believe more than 10% owners will say no to an offer which is at/or above the market price or will offer them a better living environment. With the relaxing of the rule, the private developer can shave his offering price and is in a better position to put more pressure on owners who should have the right to remain in their homes, and obtain maximum value from their property, when and if, they decide to sell them. Why should the Hong Kong government legislate and make it easier (and cheaper) for property developers to acquire homes from Hong Kong people?

Real Case I:

Some 85% of owners accepted the offer from a developer in a building, which is aged 40 years with about 200 units. Some owners found that the price offered to them was about HKD2, 000,000 lower than what others had been offered. They refused the offer. However, a lobbying team was formed amongst the other owners (who had accepted the developers' offer). This lobbying group told the 'hold-out' owners that they should accept the offer, otherwise, they 'will get less' once the compulsory land sale application threshold of not less than 80% is implemented.

Real Case II:

An owner who has a shop on the ground floor of an old building where he is the only one rejects the offer from a developer. This case can fall into the category of a lot with “all units but one” acquired. The developer offers the same price to him as other owners upstairs. Of course, it is an unfair offer because his shop on the ground floor and is worth more in the market than the residential units above.

If the proposed new rule is implemented, that the owners in cases I and II will lose the benefit and value of their property.

Extort the livelihood of owners who are forced to sale their unit

A unit/property is often a persons' livelihood. It often represents their life savings. How heartless of the government to promote an act which helps property developers take away individuals' livelihoods.

Real Case I:

In Sau Kei Wan, an elderly couple has a shop that is rented to a tenant for approximately HK\$23,000 per month. This rent is their only income and covers wholly their cost of living. The offer from the private developer is not enough for them to buy another shop and hence they cannot earn as much as they used to earn from owning their old shop.

Real Case II:

A coffin shop cannot run their business again after its shop is acquired. There is no place that can be found for a coffin shop to be newly set up.

Inappropriate time to propose the LCLS as the government does not have a plan on how to handle issues relating to the public interests:

Lower compulsory land sale application (LCLS) threshold of not less than 80% will speed up the redevelopment of the old buildings. However, the government needs to plan ahead to solve the problems which will come along if this proposal is put into place. Failure to do so will affect the daily life of individuals once the 80% rule is applied.

1. Traffic: transportation infrastructure cannot cope with the higher speed of development. This will result in more traffic jams, more pollution and continued degradation of Hong Kong's neighborhoods
2. Living environment: most new buildings are very tall and hence reduce air circulation and block sunshine distribution to local neighborhoods again degrading our environment and quality of life.
3. Lack of sufficient public facilities: Public facilities such as parks, libraries and schools will be insufficient to cater to the increased populations in affected neighborhoods. **It is against the Hong Kong government's promise to improve the quality of life in Hong Kong.**

Real Case :

Mid Levels West is an already overcrowded place. The investigation report of the office of the ombudsman of Hong Kong on September 2006 on " administration of mid level moratorium" clearly pointed out that the government had introduced an administrative moratorium to restrict building development in Mid-Levels to ease traffic congestion in 1972. It has been 36 years since the government tried to restrict building development in Mid- Levels **but nothing has been achieved.**

Eventually, people in the neighborhood think the stipulations of the OZPs will bring forward workable solutions to the problem. But what is the time line for the review of the OZPs in Mid Levels? How and when there is a concerted plan and when will the public see the result?

Moreover, there are more than five sites around Seymour Road area in the process of being acquired by private developers. Most of them are on the stage where some 80-85% owners have agreed. **Should the government reduce the limit to 80% before the stipulations of the OZP is completed in the area? Should the government bring into force a rule that will create a devastating situation in the area?**

We worry about the direction and attitude of the government on the issue of lowering compulsory land sale application threshold

The 90% compulsory land sale application threshold was introduced in 1998. After 10 years the government wants to lower the percentage to 80%. There is a worry another 10 years later; another 10% will be lower. These constant lowering of the threshold make us wonder, when will it end? How much will the government allow private homeowners to be exploited? **What is the stand of our government in balancing the individual rights of private property and facilitating private redevelopment?**

Unfair to treat the buildings aged 40 or above and the a lot with “all units but one” acquired in the same proposal

These are two different concerns and they should not be put in the same proposal. For a building over 40 years old, concerns include the safety of the construction and the surrounding living environment. As mentioned above these cases should be handled by the URA and mandatory building repair should already be sufficient to arrest building deterioration. Moreover, the building of this age doesn't necessarily need to be demolished. If there are ways to restore it, then these should be considered first.

This would be more in line with government policy regarding environmental protection. How many times do we see on television the HK government public service advertisements that remind us to try to restore our floor or bathtub rather than replace them when we carryout a renovation? **Now the government wants to suggest a proposal that will, on a much larger scale, harm our environment?** In addition, it should be noted that there are many buildings aged 40+ that are in a very good condition because of good maintenance by owners.

The “all units but one” acquired is another issue this should be considered separately.

Accuracy of the Government Survey

Government claims the result of their telephone poll/survey showed support for its proposal. However, with all due respect, we doubt the accuracy of the result if the following information was not provided to survey respondents at the time of survey

- Number of the buildings can be acquired by developers in two years time in each district if the rule is relaxed?
- What is the impact on each individual district after the rule is relaxed, and what is the plan of the government to cope with the resulting increase in speed of development?

In conclusion, we request the government to withdraw the proposal until the above-mentioned issues are addressed and properly settled. In particular, the issue of town planning such as the height restriction (stipulations of the OZPs) and the plot ratio review need to be settled, otherwise we risk impacting HK people's quality of life. It is the duty of the Government to protect public interest and act prudently before bringing into law these regulations which so negatively impact public interests.

Again, there is no way to revert once the harm has been done. Therefore, we sincerely hope the government takes time ensure the town planning is properly placed before this proposal is introduced into law.